

**2006-2007
SCHOOL
YEAR
BUDGET**



LEARNING • GROWING • TRANSFORMING THE WORLD TOGETHER

**INTRODUCTION
TO THE 2006-2007
BUDGET**

The following estimate of revenues and expenditures to support improved student learning during the 2006-2007 school year is presented to the Board of Trustees for approval as recommended by the Director of Education and the Superintendent of Business and Finance -- on behalf of senior administration. The budget includes **\$ 183,895,316** in operating expenditures and **\$15,610,654** in capital expenditures for a total budget of **\$ 199,505,970**.

This budget paper addresses the following issues of note:

- The Board's Budget Policy
- Provincial Priorities, 2006-2007 Revenue and Flexibility
- System Plan for Improved Student Learning – Planning January-to-January
- Enrolment and Funding
- Funding Catholic Distinctiveness
- Achieving Equity Through School Budgets
- Elementary School Average Class Size Cap
- Trustee Association Fees
- Fiscal Audit and Legal Fees
- Investment in Staff Development
- Provision for Lifelong Learning Including But Not Limited to Adult and Continuing Education
- Provision for an Inclusive Learning Environment
- Funds to Address Safe Schools and Health and Safety Legislation
- Funds to Promote Greater Parent Involvement at the School Level
- Funds for Parent Awareness of Post-secondary Opportunities for Students with Special Needs
- Departmental Plans to Support Improved Student Learning
- Facilities -- Including Maintenance of Administrative and School Sites
- Breakdown of Operating and Capital Budgets
- Report on Reserve Funds
- Outlook for 2007-2009 and Conclusions
- Resolutions for Consideration by Board of Trustees
- APPENDIX A – Budget Summary

As is customary in the Waterloo Catholic District School Board, this budget is hereby presented to the Board of Trustees as information – to be brought forward for consideration and approval in public session on August 29, 2006.

Roger D. Lawler,
Director of Education
(Chief Education/Executive Officer and Secretary of the Board)

Helen Mitchell,
Superintendent of Business and Finance
(Treasurer of the Board)

Thursday, August 24, 2006

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The Board of Trustees reviewed its budget policy in April 2006 and subsequently provided the following direction to staff. This budget has been developed according to the policy direction outlined below:

Board Budget Policy:

The Board requires key financial objectives and financial performance indicators with the necessary controls to ensure financial effectiveness. Budgeting any fiscal year, therefore, or for the remaining part of any fiscal year, will meet the Board *Aims/Ends* priorities, avoid fiscal jeopardy, not violate the *Education Act* or Ministry of Education guidelines, nor fail to show a generally acceptable level of foresight.

Accordingly, the Director of Education will:

1. Provide sufficient funds in support of Catholic distinctiveness including faith development experiences for students/staff/trustees.
2. Provide funding in support of an inclusive learning environment for staff and students.
3. Provide for professional development and capacity building for staff, students and school councils.
4. Provide for lifelong learning including but not limited to the provision of Adult and Continuing Education.
5. Provide sufficient funds to meet the requirements of applicable safe school and health and safety legislation.
6. Provide sufficient funds for the annual maintenance of school and administrative sites.
7. Provide sufficient funds for fiscal audit and legal fees.
8. Provide for trustee association fees.
9. Provide equity of access to resources and opportunities for staff and students.

Procedures:

In the budget development process, the Director of Education will:

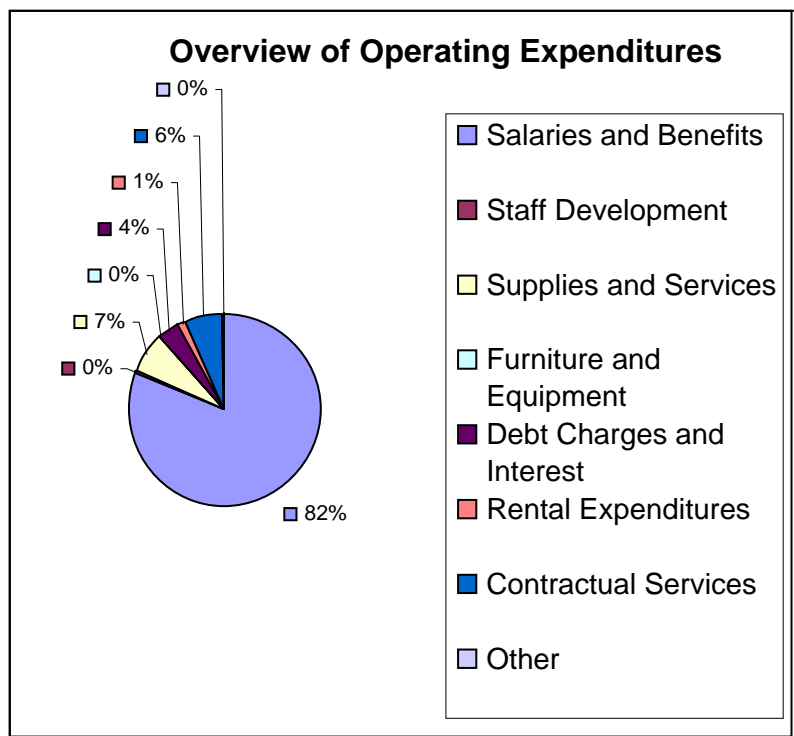
1. Provide an information sharing process.
2. Provide a budget that contains sufficient information to enable:
 - Projection of revenues and expenses; separation of capital and operational items, and cash flow.
 - Alignment with system priorities as identified in the System Plan for Improved Student Learning.
3. Plan to ensure funds expended in any fiscal year are not in excess of revenues conservatively projected to be received.

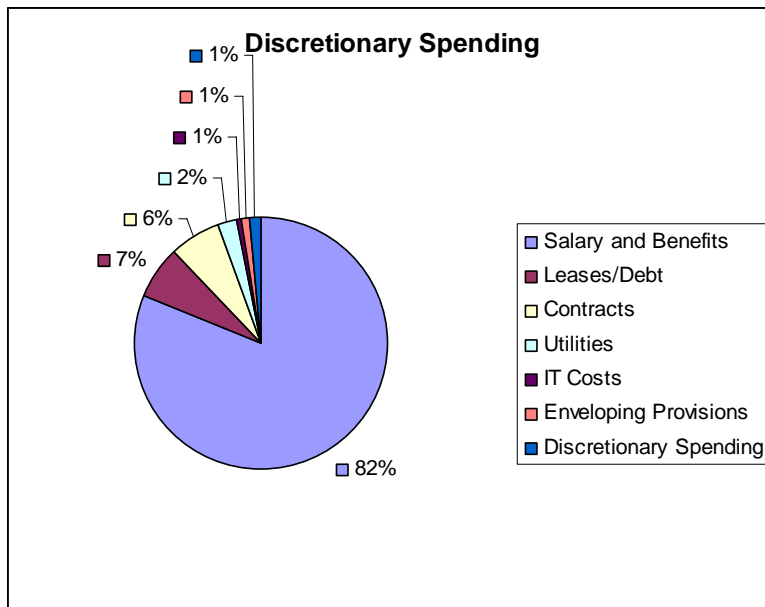
The criteria outlined above have shaped the development of this budget. This budget paper will outline how the criteria as set out by the Board of Trustees have been met.

Revenue for school board capital and operational needs is derived from a funding model based on student enrolment and grants specific to areas such as geographic circumstances, English as a Second Language, French as a Second Language, transportation, and students with special needs. These grants are determined centrally by the Government of Ontario and flow to school boards through the Ministry of Education.

The Ministry of Education, through the government of the day, has – since 1998 – increasingly predetermined through legislation and regulations how dollars granted to school boards must be spent. As a result of these spending constraints, Senior Administration began the 2006-07 budget process by examining revenues to determine the actual amount of spending flexibility available to the Board.

The charts below demonstrate the impact of contract obligations flowing from the provincial labour framework and the provincially-mandated grants targeted to areas such as transportation and Special Education. The reality is the Waterloo Catholic District School Board has spending discretion on just \$2.8 million of a \$200 million budget. The remaining \$197.2 million of spending has been pre-determined by Queen's Park leaving Boards limited authority to reallocate any of those funds, regardless of needs. From the remaining \$2.8 million, the board will purchase key provisions including school and maintenance supplies, materials to run health and safety programs, and staff development programs.





Given the magnitude of the noted spending constraints, it is critical to understand the changing role of both Trustees and senior staff. In the memo that accompanies this year's Student Grants, Assistant Deputy Minister of Education, Nancy Naylor, states *"the significant realignments with the Grants for Student Needs funding formula in 2006-07 and the ongoing investments in key initiatives to improve student achievement are also an opportunity for the Ministry and school boards to continue demonstrating accountability for the effective use of education funding and our shared commitment to ensuring that resources remain focused on the priority of student achievement."* In the *Technical Paper* that accompanies the grant release, the Ministry reminds Trustees and staff of their responsibility to develop budgets within Ministry legislation, regulations, policies and guidelines -- and to ensure all accountability measures on all spending are met.

System Plan for Improved Student Learning – Planning January to January

The Ministry of Education's goals for improvement of student learning focus on:

1. Reduction of average class size in Grades JK to 3;
2. Literacy and numeracy targets aimed at ensuring 75% of all 12-year-olds reach provincial standards by 2007-2008;
3. Ensuring that by 2010 the annual graduation rate for secondary school students is 85%;
4. Peace and stability through four-year collective agreements with employees.

Revenue is provided to school boards through the annual Grants for Student Needs, with the expectation that school boards will develop budgets to achieve the Ministry goals for improved student learning.

One of the roles of the Board of Trustees is to develop a strategic plan that outlines local expectations and incorporates both the Ministry expectations and our Ontario Catholic School Graduate Expectations.

Our strategic plan, ***Sharing Our Journey***, captures both the provincial and local expectations and was recently renewed until 2009 by the Board of Trustees.

Once the strategic plan has been articulated by the Board of Trustees in consultation with staff and the community, Board staff develop a system plan to as much as possible address local expectations while still complying with the Government's initiatives and the requirements of the Education Quality and Accountability Office.

Our ***System Plan for Improved Student Learning*** has been articulated each year for the past decade and represents our core business – student learning – both academic and in the faith.

The current system plan, approved by the Board of Trustees in December 2005 for the period 2006 to 2009, sets out our system priorities. The plan concentrates on the following areas:

1. **Faith Formation:**

- Focus Areas: Pastoral Teams for all school and Board Office sites.

2. **Instruction and Assessment:**

- Focus Areas: Assessment, Language Literacy, Mathematics, Pathways.

3. **Building Safe, Nurturing, Inclusive Communities:**

- Focus Areas: Bullying Prevention, Conflict Resolution, Employee Workplace Harassment/Discrimination Prevention Policy.

4. **System Support:**

- Focus Areas: Energy Conservation Program, Public Sector Accounting Principles.

The system priorities are stated in terms of *performance benchmarks* within the ***System Plan for Improved Student Learning***. The budget is based on the following performance benchmarks:

- **Faith Formation:** All schools and sites have a pastoral team that implements, communicates and monitors system and parish faith formation programs and initiatives;
- **Instruction and Assessment: IEP Standards:** All schools have developed, implemented and are monitoring IEPs in compliance with the IEP standards developed by the Ministry of Education.
- **Instruction and Assessment: JK-3 Literacy:** All primary divisions, JK-3, have developed, implemented and are monitoring all elements of a Balanced Literacy Program that offers rich and varied literacy practices using a variety of instructional approaches, strategies and resources for effective instruction to promote early literacy skills. (*The Report of the Expert Panel on Early Reading in Ontario, 2003. p. 12*)
- **Instruction and Assessment: Junior Literacy – Reading:** All junior divisions have developed and are beginning to implement all elements of a Balanced Literacy Program that offers a rich and varied reading program, using a variety of instructional approaches, strategies and resources for effective instruction to promote independence, motivation, comprehension, higher-order thinking and fluency. (*Literacy for Learning – The Report of the Expert Panel on Literacy in Grades 4 to 6 in Ontario, 2004 p. 61*)

- **Instruction and Assessment: 7 to 12 Reading, Writing, and Oral Communication:** All teachers in grades 7 to 12 are using strategies to improve student reading, writing and oral communication as modeled in *Think Literacy, Cross-Curricular Approaches, Grades 7-12* for 2004-2005.
- **Instruction and Assessment: JK-3 Mathematics:** All Primary Divisions (JK to Grade 3) are focused on improving student learning in mathematics through routine application of “There’s More to Math”, the WCDSB framework for learning and instruction, supported by the Early Math Strategy training in Number Sense and Numeration and Geometry and Spatial Sense.
- **Instruction and Assessment: Grades 7 to 10 Mathematics:** All Intermediate Divisions (grades 7-10) are focused on improving student learning in mathematics through routine application of “There’s More to Math”, the WCDSB framework for learning and instruction.
- **Building Safe, Nurturing, Inclusive Communities: Peaceful Schools – Conflict Resolution Stage 1 Benchmarks:** The Waterloo Catholic District School Board’s Catholic Secondary Schools have achieved a balance between prevention and enforcement in responding to conflict and promotion of a safe school environment.
- **Building Safe, Nurturing, Inclusive Communities: Workplace Harassment and Discrimination:** Each WCDSB employee has acquired a comprehensive understanding of the Workplace Harassment/Discrimination Prevention Policy in order to decrease the incidence of workplace harassment and discrimination.
- **System Support: Financial Accountability:** All school divisions prepare and submit financial reports on School Generated Funds in compliance with the requirements set forth by the Public Sector Accounting Board (PSAB), the Ministry of Education, and the school board.
- **System Support: Professional Standard of Ethics:** The Professional Standard of Ethics aligned with Sharing Our Journey will be the compass that guides this system's practices in discernment and decision making.
- **System Support: Human Resource Services:** All Human Resource Services policies, practices and procedures will promote and enhance organizational and employee wellness.
- **System Support: Business Services:** Accurate financial reporting and effective internal controls are in place to support the requirements set forth by the Public Sector Accounting Board (PSAB), the Ministry of Education, the board’s external auditors, and the school board.
- **System Support: Facility Services:** All students and staff have accommodations that enhance and support student success.
- **System Support: Information Technology Services:** All students and staff have reliable information technology resources that best enhances student learning and achievement.
- **System Support: Leadership:** The Board has a five year plan developed that contains specific criteria to attract, develop, retain and sustain Catholic leaders of excellence

- **System Support: Public Affairs:** An effective Public Affairs program -- centred on existing and emerging information technologies -- will support the System Priorities for Improved Student Learning.
- **System Support: Community Development:** Parents and stakeholders will have opportunities to communicate with each other and employees of the Board through various means, including technological, enabling them to support activities that promote student learning and achievement within a safe and nurturing environment. To ensure this ongoing support the registered assessment base will be maintained or increased through proactive measures.

The system plan is aligned with a January-to-January cycle. This permits schools to capture the provincial assessment results and it also permits staff to engage in the subsequent allocation of resources in time for the June budget.

In September, 2005, school administrators began to examine the System Plan for Improved Student Learning revisions for 2006. This process identified the benchmarked key activities. Central office staff began working with school level staff to conduct a gap analysis centred on the identified benchmarks for the activity and their current level of understanding and practice. From October to December 2005, school staff used the System Plan to conduct a gap analysis for each benchmarked key activity. Benchmarks are determined by provincial and local supports for all schools and Ministry and Board priorities.

The findings of the gap analysis were then used at each school site to update each School Improvement Plan; a plan focused on reaching the benchmark over our study period of 2004 to 2008.

These School Improvement Plans, which are school specific, were submitted to School Superintendents by January 30, 2006. All schools produce yearly status reports with respect to their ability to meet the benchmarks and it will be these reports along with EQAO results that form the basis of monitoring reports for how we are aligning our practice with the strategic plan, *Sharing Our Journey*, and government initiatives.

This budget and subsequent school year budgets for 2007, 2008, and 2009 will be based upon the **System Plan for Improved Student Learning** as articulated above through the system priorities and performance benchmarks.

Enrolment and the context of budget development

We are beginning to see the impact of the 'baby boom echo' through the school system. For a number of years we witnessed a decline in the number of new JK and K registrations. This has been a provincial trend. We are witnessing a slight increase in JK and K registrations (31 over 2005/06). However, there are now small Grade 1 to 6 classes progressing through the system while large Grade 7/8 classes leave -- causing an overall decline in elementary enrolment. In comparison to 2005/06:

- our Cambridge elementary schools are down 140 students over 2005/06;
- our Kitchener elementary schools are down 98 students over 2005/06;
- our Waterloo elementary schools are down 62 students over 2005/06.
- our secondary schools have increased by 312 students.

Our enrolment for 2006/07 represents a projected net increase of 12 students.

We anticipate our enrolment will continue to decline and finally level out at roughly the enrolment levels seen in 1998, before gradually picking up again.

Enrolment History

Year	Enrolment as of Oct. 31	% Change Over Year Before
1994	22,746	-
1995	22,966	0.96
1996	23,156	0.82
1997	23,491	1.44
1998	23,919	1.82
1999	24,075	0.65
2000	24,105	0.12
2001	24,285	0.74
2002	24,244	(0.16)
2003	24,078	(0.68)
2004	24,281	(0.84)
2005	24,201	(0.32)
2006	23,828	(1.54)

The relationship between revenue and enrolment

There is a distinct relationship between enrolment and a school board's revenue. As school boards decline in enrolment, there is a revenue loss. Similarly, an enrolment increase brings in new revenue. Work at the school level to recruit and then retain students is highly significant. This budget also provides for a recruitment strategy including maintenance and improvement of our assessment roll.

Revenue for the budget is calculated using the **average daily enrolment of the system** -- that is, 50% of the projected October 31, 2006, enrolment and 50% of the March 31, 2007, projected enrolment. (Junior and Senior Kindergarten students count as half-time). **The average daily enrolment estimate for the 2006-2007 school year is projected to be 14,935 (elementary) and 7,475.5 (secondary) -- for a system total of 22,410.50 students.**

Funding Catholic Distinctiveness

This budget meets the Ontario Catholic School Trustees' Association's definition of *Catholic Distinctiveness* [see chart below]. Beyond the teaching of Religious Education and Family Life by qualified teaching staff, approximately **\$1,754,174** of total expenditures can be attributed to the decisions made regarding our ongoing goal to reflect our distinctiveness as a Catholic Board. This represents a decline of \$69,211 or 3.79% over 2005-06. The decrease

is consistent with declining enrolment and changing priorities within the various components of the distinctiveness area of our programs and services. It is critical to note that highlighting how we allocate resources is an important way to demonstrate our difference and our relevance in an increasingly secular and complex world.

Catholic Distinctiveness Area	Amount
Chaplaincy – Elementary and Secondary	\$697,885
Catholic Family Life/Religious Education/Adult Faith Formation Central Staff	\$295,157
Family Life Program	\$142,601
Religious Education Program	\$ 18,883
Student Retreat Program	\$132,388
Leadership and Faith Conferences	\$ 34,000
Religious Education Part I Course For New Teaching Staff	\$ 40,000
Transportation Support for Students in Need	\$ 8,000
Faith Advisory Committee	\$ 3,000
Pastoral Care Teams	\$ 16,000
Institute for Catholic Education 2006 Symposium	\$ 5,000
Adult Faith Formation Program Support	\$ 42,250
Catholic Curriculum Co-operative Membership Levy	\$ 12,000
Catholic School Council Development	\$ 7,700
Trustee Development and Community Relations	\$ 19,500
Trustee Membership Fees (CCSTA and OCSTA)	\$ 73,000
Catholic Youth Leadership Conference	\$ 15,000
Student Trustee and Student Leadership Development	\$ 5,000
Catholic Family Counselling Employee Assistance Program	\$125,000
Chaplaincy Program Support	\$ 17,810
Spiritual Animator Supplies	\$ 4,000
Employee Wellness	\$ 40,000
TOTAL	\$1,754,174

Achieving equity through school budgets

Equity of access to resources and opportunities is addressed through the following strategies:

- Basic school budgets: Funding for basic school budgets (to purchase textbooks, learning materials, etc.) is provided through a mechanism to account for the differences among schools. This ensures an equitable distribution of resources where students with the greatest need are addressed in the same manner as other students. We have an unapologetic bias towards options for the marginalized!
- With reference to elementary school budgets, internal equity is achieved between small and large schools. For example, each elementary school receives a base amount of \$91 per pupil. The additional funding per pupil is divided as follows:
 - Elementary Schools with fewer than 300 students receive an extra \$24 per pupil -- for a total allocation of \$115 per pupil. Twenty one schools will receive an extra \$24 per student.
 - Elementary Schools with between 300 and 400 students receive an extra \$12 per pupil -- for a total allocation of \$103 per pupil. Fifteen schools will receive \$12 extra per student.

- Elementary Schools with more than 401 students receive an extra \$6 per pupil -- for a total allocation of \$97 per pupil. Eleven schools will receive \$6 extra per student.
- Secondary Schools receive \$180 per student of which \$5 is set aside co-operatively for co-instructional activities.
- Principals will ensure in the development of their school budget plan that an adequate amount of funds are allocated to school libraries to support the improvement of student literacy and numeracy.

Elementary school JK to Grade 3 average class size cap

Through the Grants for Student Needs, the Government of Ontario announced four years ago its goal to achieve a cap on class sizes for Junior Kindergarten through to Grade 3. By 2007-2008 it is expected that these primary grades will have 20 or fewer students in each classroom. Full implementation is reached when 90% of the primary classes in the system have 20 or fewer students. Ten percent of primary classes may have up to 23 students per class. The expectation for 2006-2007 is that 100% of primary classes will have 23 or fewer students as boards work to full implementation in 2007-2008.

The Waterloo Catholic District School Board has been implementing a plan over the past three years to comply with the Government goal. As of June 2006, the following achievements are noted:

Criteria	2003-04	2004-05	2005-06	2006-07
%Primary Classes 20 and under (90% by 07/08)	27.4%	45.4%	58.2%	89.33%
%Primary Classes 23 and under	61.8%	71.9%	85.5%	100.00%
Total Primary Enrolment	6480	6392	6179.5	6001.5
Total Number of Primary Classes Created	284.4	293.6	301.3	312.89
Change in enrolment		(88)	(212.5)	(178)
Change in number of classes		+9.2	+7.7	+11.59

Budget for trustee association fees

This budget, as per board policy, provides \$73,000 for the Ontario Catholic School Trustees' Association fees.

Budget for fiscal audit and legal fees

This budget, as per board policy, provides for audit/legal activities as follows:

Auditing Fees - General	\$ 60,000
Auditing Fees – Adult Education	\$ 250
Legal Fees – Resource Development Office	\$ 4,000
Legal Fees – Human Resources	\$ 75,000
Legal Fees - Property Matters	\$ 25,000
Legal Fees – Business & Finance	\$ 20,000
Legal Fees – Special Education	\$ 55,000
Legal Fees – Director's Office	\$ 23,000
Legal Fees – Trustees	\$ 8,500
Legal Fees – Capital	\$ 15,000
TOTAL	\$285,750

Investment in staff development

Professional development describes the programs and services that ensure staff remain current and up-to-date. Capacity-building is a term used to describe providing people with the ability to make the system vision a reality. People – whether staff, Trustee, or Catholic School Council member – cannot be expected to change, or improve, if they do not have the ability to behave in new ways.

Thus, a focus on both professional development and capacity-building is necessary to move ahead. In its final report (2001), the Education Improvement Commission wrote that research indicates that a progressive, growing organization will allocate a minimum of 1% of payroll to professional development for its employees if it is serious about building capacity.

Our local allocations for professional development are:

Year	Staff	Board Allocation	Amt. Per Staff Member
2006-07	2251.6	\$1,491,917	\$662
2005-06	2262.5	\$1,528,497	\$675
2004-05	2166.7	\$1,393,132	\$643
2003-04	2209.2	\$ 850,884	\$385
2002-03	2045.6	\$ 425,442	\$ 208
2001-02	2064.5	\$ 506,344	\$ 245
2000-01	2006.1	\$1,405,045	\$ 700
1999-00	1957.4	\$ 921,277	\$ 470
1998-99	1750.4	\$ 935,354	\$ 534

Through this budget, funds in the amount of **\$1,491,917** has been allocated to provide for staff development – a 2% decrease. Some professional development has been moved to after hours thus creating a \$300,000 reduction in the need for supply teachers to cover for staff engaged in professional development. If this change were not made, we would be spending approximately \$1.7 million or about \$795 per staff member on professional development.

The amount expended and the costs avoided through the scheduling of professional development does bring us over the industry goal of 1% of payroll allocated to staff development. In this regard, all sectors of the organization will be impacted as we continuously strive to improve student learning. Indeed, we are proud of the fact that our staff participate in after-school programs, Summer Institutes as well as through programs delivered during the regular school day. This is but one small example of their commitment to our students.

The focus for teacher professional development in 2006-2007 is on the **System Plan for Improved Student Learning** – in particular our mandatory in-service related to Religious Education/Family Life, our in-service related to the priorities in the area of language and mathematics literacy (elementary and secondary), and the continual development of our school administrators, pastoral care teams, educational assistants, technicians and maintenance/custodial/ secretarial staff.

Provision for lifelong learning including Adult and Continuing Education

This budget provides for lifelong learning as outlined above with reference to ongoing professional development. As well, this budget provides for Adult and Continuing Education through our St. Louis program -- a program that operates at several sites in Cambridge and Kitchener-Waterloo. This program operates through both Province of Ontario and Government of Canada revenue sources. The program will celebrate its twentieth year of operation this autumn. Beginning in September 2006 Helen Mitchell and Shesh Maharaj will interact with the

Adult Education program with reference to all of its business functions. Bruce Rodrigues will supervise the program aspects of Adult and Continuing Education.

**Provision for an
Inclusive Learning
Environment**

Our board has a long standing reputation of being an inclusive school board. We believe that all stakeholders, including students, educators, parent/guardians, support staff and administrators, must feel they belong and fully participate in the life of the school. Inclusive school cultures must not only be created, but they must be sustained. A culture becomes strong because a group of stakeholders share a vision and are prepared to make inclusion a critical component of schools where improved student learning flourishes.

For a numbers of reasons, including strong recommendations of the Intellectual Disability Action Team and the Principal Association's White Paper on Student Services, it is time to revisit our philosophy and take a "snapshot" in time to ensure our values, practices, procedures, training and support and translate into inclusive behavior.

Under the leadership of Bernie Kowalczyk, Gerry Clifford, and Wayne Hobbs, an "inclusion audit" that will include the development of a data collection tool will take place in 2006-2007. The outcome will be that key stakeholders in the community will be able to identify the indicators of success, examine the culture of inclusion and then be able to take appropriate action. Every school will find areas of strength to celebrate, as well as areas that need improvement. Our Special Education Advisory Committee (SEAC) will receive timely updates and the results of the "inclusion audit".

An amount of \$5000.00 has been allocated in the 2006-2007 budget to begin this activity.

In order to support students with behavior challenges in our board, we have provided a training program for all staff, which needs to be updated yearly and is very costly. OESC is a non-profit organization incorporated by the four Ontario School Boards' Associations and CODE to provide a cost saving services to all boards to address the growing needs of this population. They have developed **The Behaviour Management Systems** which has been approved by the Ministry of Education which is providing start-up funds to launch the program. Our board has agreed to be a pilot board.

This year's budget reflects \$1,100,000 in expenditures over and above the revenue allocated by the Ministry of Education.

**Provision for Safe
Schools and
Health & Safety
Legislation**

The Health and Safety budget allocations are aimed at both prevention and addressing any situations that may occur as a result of the monthly health and safety inspections as required by the legislation. To this end, funds have been allocated for ergonomic assessment of work sites, Science lab training for teachers, Certification training for Safety Committee personnel, Technology Facility Maintenance, Playground Inspection Surveys, Air Monitoring, Water Testing, Gym and Stage safety repairs, Safety Equipment, Traffic and Fire Safety, Recycling containers, Chemistry Laboratory Safety Cabinets, Asbestos surveys, WHMIS Program, MSDS Wellnet Solutions, and First Aid Programs.

Safe schools are addressed through two avenues. As of September 2006 all 47 of our elementary schools will have been trained in the *Imagine A School Without Bullying Program* – a program jointly developed by the Waterloo Catholic District School Board, the Waterloo Region Public Health Unit and the Waterloo Region District School Board. The *Imagine* program has been noted by the Ministry of Education as a model program and best practice that other school boards could use.

Within the Board's secondary schools work continues on anti-bullying and conflict mediation as our approach to peaceful schools. In this regard all secondary schools as part of their school improvement plans address proactive measures of prevention of bullying and are moving towards creating "justice circles" as a model for conflict mediation.

Funds to promote greater parent involvement at the school level

The Ministry of Education has developed a new provincial Parent Involvement Policy that will recognize effective parent involvement as a new performance measure to be expected of the publicly funded education system.

The main thrust is an onus on decision-makers to create the conditions for parents' engagement in their children's education to take place by way of the right environment, supports, and attitudes.

Training for parent mobilization will be provided across the system, from parents themselves, right through to supervisory officers and Ministry staff. To assist with this task, every school board in Ontario must form a Parent Involvement Committee. Work is well underway in our board. The Parent Involvement Committee has a majority of parent representatives, three trustees, the Director of Education and Father Charlie Fedy, CR, who represents the Waterloo Deanery.

In order to support parent mobilization in our board, \$8000.00 has been budgeted over and above any funds we may receive from the Ministry of Education.

Funds for parent awareness of post-secondary opportunities for students with special needs transitioning into the community

As more and more of our students with high needs reach the age of twenty one, the need for a post secondary school placement becomes critical. This year, student services will be very active in bringing parents together and supporting them as various options for their adult child are explored. A number of activities, along with printed resources will be made available to parents.

Through this budget, funds in the amount of \$5000.00 have been allocated to support the above initiative.

Departmental priorities to support improved student learning

The following departments will support improved student learning through the following budget initiatives:

a) **Leadership and Faith Formation Budget 2006-2007**

Leadership and faith formation are two system goals identified in ***Sharing Our Journey*** and are central to the operation and vision of the Waterloo Catholic District School Board.

A key focus for the academic year 2006-2007 in the area of leadership will be a concentrated effort to unfold a framework entitled "***Excellence in Leadership***". This framework has three essential components. The first component focuses on discernment for emerging leaders in the organization. The second component addresses the managerial, operational and visionary dimensions of the newly appointed leaders. The final component provides a long term reflection and dialogue source for leaders through mentorship. Another focus of leadership for the upcoming year will be to create structures to attract, support, sustain and

retain Catholic leaders of excellence. Lastly, a key focus of the leadership plan will be to revise our instrument that evaluates leaders within the system. This year the task will centre on Principals and Vice Principals.

Faith formation at all levels from students to staff and all community stakeholders is an integral part of the Waterloo Catholic District School Board. Although one could list all the various aspects that are involved in the diverse activities that address our call to service and faith leadership, suffice to say that all the work of the past years in this area will continue through 2006-2007. Particular attention will be given to the ongoing work of the Pastoral Teams and ongoing support for schools to intentionally live out the Board's mission and vision. The Family Life advisory team will continue to meet regularly and aid with the discernment of appropriate materials to be used in classrooms to support the Religion, Family Life and Human Sexuality curriculum. This is relevant curriculum, endorsed by the Bishops and the Institute for Catholic Education (ICE). Some highlights supported this year will be the ICE symposium; the release of the document on school-parish relations entitled "**An Opportunity for Grace**", the release and implementation of the "**Professional Standards of Ethics**" and a link between leadership and faith formation.

The budget will be aligned to address these priorities and continue with ongoing mandated priorities from this past year.

b) **Instruction and Assessment**

In the years 2003-2006 the Ministry provided for substantial teacher in-service through yearly grants. This was used to train one lead teacher in Mathematics and Language literacy in the primary grades. The board supplemented this funding to ensure that all Primary teachers and Special Education teachers were trained as well. Our focus in the next year is to provide professional development support directly to teachers in the Kindergarten to grade 6 classrooms and Special Education for literacy and numeracy through the support of itinerant teachers in Literacy and Numeracy. This will help to ensure that strategies for student achievement are consolidated in the classroom and will also provide other additional support to teachers in literacy and numeracy as "specialist teachers".

c) **Business and Financial Services**

Financial accountability continues to be the priority for this Department. Accurate financial reporting and effective internal controls to support the requirements of the accounting principles as outlined by the *Public Sector Accounting Board (PSAB)* are the goals towards which B&F strives. In addition to the requirement that all Boards report ALL funds, assets and future liabilities, Boards are now required to provide the Ministry with supplemental information of the Board's financial position as at March 31 to facilitate the consolidation of school boards' financial statements with that of the Ministry. Inherent to this requirement is "Capital Asset reporting" on which all Boards are now embarking. The Auditor General of Ontario has undertaken to conduct audits of school boards' procurement and other policies so that they can attest to the financial information being included in the Province's financial statements.

This environment, within which Business & Finance now operates, dictates a workplace where effective management controls are in place supported by staff compliance. The engagement of an Internal Audit Officer in January 2006 was critical to ensuring compliance in areas that are vital for the Board to ensure an excellent audit opinion from the board's External Auditor.

The 2006-2007 budget reflects initiatives to be undertaken to continue to be financially accountable in an effective, efficient and economical way.

- We continue to use ISYS for seamless, paperless transfer of information from Human Resource Services to payroll.
- We listened to our users of the Budgetary Accounting System (BAS) for a more user friendly system and have successfully implemented a new system – NAVISION. Continued maintenance costs are reflected in the budget.
- The Internal audit function will continue expanding its role into other areas of the system to ensure appropriate policies, procedures and practices are in place and are being complied with. This function will also embark upon 'business risk analysis' in appropriate departments of the board.
- We are working towards a 'paperless' environment – payables and receivables via the web and/or EFTs including expense reimbursement.
- All our sites will be placing orders, via the web, directly with approved suppliers thereby eliminating the need for the use of the Waterloo Region DSB's warehouse.
- We are continuing to work with the Waterloo Region DSB to appropriately staff and operate a true transportation consortium. This includes the willingness to identify and commit to operating as a consortium thereby realizing the benefits of a harmonized transportation department. A board's involvement in a consortium will become a criterion for transportation funding from the Ministry in the near future.

d) **Information Technology Services**

Information Technology Services continues to support the student achievement goals of the Board. The department will assist all areas in the Board to comply with the Ministry's Managing Information for Student Achievement (MISA) data management and information goals and objectives by ensuring that software applications and information data bases hold and report accurate information.

Over 850 classroom personal computers will be upgraded in 22 elementary schools and the five secondary schools ensuring that students and staff have access to appropriate and reliable technology to enhance student learning. We continually upgrade our personal computer equipment through rollover leases that ensure that our technology equipment is upgraded every four to six years. As well, through the work of our Information Technology staff, our Resource Development Office and Instruction and Assessment Department, the school system signed a partnership agreement with the University of Waterloo that will enable professional learning through technology and access to video conferencing as the partnership moves forward.

e) **Human Resource Services**

Throughout 2006-2007 Human Resource Services (HRS) will continue its commitment to employee service, organizational efficiencies and continuous improvement. A newly restructured department will better position us to address the future needs of the system as we focus our efforts on employee orientation, succession planning, performance appraisal,

employee recognition, employee wellness and health and safety.

Ongoing efforts to address cost containment will impact upon workplace accommodation, health/safety and risk management, attendance management and departmental efficiencies. An automated dispatch system, expanded electronic applications/recruitment, and the introduction of an electronic Human Resource Services Manual are pivotal to reaching our efficiency goals.

Early in the new school year HRS will launch departmental commitments that will operationalize the “**Professional Standard of Ethics**” being developed by the system.

Our commitment to the Wellness Framework of the National Quality Institute will assist us in developing an inviting and positive workplace environment focused on supporting our employees as they address either directly or indirectly the varied needs of our students.

**FACILITIES --
INCLUDING
PROVISION FOR
ADMINISTRATIVE
AND SCHOOL
SITE
MAINTENANCE**

This budget, as per board policy, provides for maintenance for both the administrative and school sites.

Beyond these areas, it is noted that utility costs continue to cause concern with overall expenditures for natural gas, electricity and water increasing by 87.3% in the past five years. Expenditures for electricity and natural gas have increased 73.7% and 140.6% respectively within that time period. The 2005/06 budget provided for the hiring of an Energy Conservation Officer who would be responsible for monitoring energy consumption and implementing strategies for reducing utility usage. With this position now in place, one of the priority tasks for the Energy Conservation Officer will be the preparation of a board-wide Energy Master Plan.

The 2005/06 school year saw the implementation of Phase 1 of the Good Places to Learn strategy by the Ministry of Education. This initiative infused the Waterloo Catholic District School Board with approximately \$6 million to be spent on urgent and high need repairs to school buildings. The Ministry recently announced that Phases 2 and 3 of the Good Places to Learn strategy will proceed in the 2006/07 and 2007/08 school years. As a result, the Waterloo Catholic District School Board can expect approximately \$3 million in each of the next 2 years to make additional urgent and high need improvements to the school facilities.

The Good Places to Learn funding is in addition to the regular school renewal funding that the Board receives. For the 2006/07 school year the school renewal allocation is estimated to be \$3,379,922. As in 2005/06, the Facility Services department will be identifying opportunities to combine Good Places to Learn and renewal projects where cost efficiencies can be achieved. There will also be a continued emphasis on completing projects which will return operational and energy cost efficiencies in the long term.

**Breakdown of
Operating and
Capital Budgets**

This proposed budget is broken down into two categories: “operating” and “capital”. The covering sheet shows the operating budget summary of **\$183,895,316** (line H). The capital budget summary of **\$15,610,654** is shown as line I. In total, the 2006-2007 operating and capital budget expenditures and revenues are **\$199,505,970** (line K). **\$2,481,128** from operating reserves and **\$789,097** from capital reserves have been utilized to balance this year’s budget.

Report on Reserve Funds

Column 1	2	3	4
<i>Capital Reserve Fund</i>	Projected Balance September 1, 2006	Transfers from Reserve Fund	Balance at August 31, 2007
<i>Accessibility Funding</i>	214,646	0	214,646
<i>Pupil Accommodation</i>	9,709,659	789,097	8,920,562
<i>Disposition of Property</i>	8,774,870	0	8,774,870
<i>Total Reserves - Capital</i>	18,699,175	789,097	17,910,078
<i>Classroom</i>	2,481,128	2,481,128	0
<i>Non-Classroom</i>	0	0	0
<i>Continuing Education</i>	189,672	0	189,672
<i>Special Education</i>	0	0	0
<i>Total Non-Capital</i>	2,670,800	2,481,128	189,672
<i>Total Reserves</i>	21,369,975	3,270,225	18,099,750

The 2006-2007 budget has been prepared with an eye to developing budgets over the next two fiscal years – 2007/08 and 2008/09. We have a firm grasp of our longer term labour costs because of the provincial framework negotiated and implemented by the Government.

We also know that our school system like many others has had to use up whatever reserves they have in order to balance this budget. In the meantime, government often provides school boards with additional resources throughout the year that sometimes can offset activities that have already been budgeted for. This has been an ongoing state of affairs for a number of years. This is an unsustainable strategy simply because, at some point, funding from outside of the grant process will stop – leaving no room to offset expenditures that may have been budgeted. When this inevitably occurs, school boards that rely on this strategy to fund programs will be caught short. Similarly, as school boards go through enrolment decline there has to be a corresponding decrease in infrastructure expenditures in order to maintain true balanced budgets; that is, where reserves are not used to square the expenditures line with the revenues line.

It is estimated that the Waterloo Catholic District School Board has used approximately \$4 million in reserves to balance its budgets in previous years and in the current year. As noted earlier, this is an unsustainable strategy and it will end. Consequently, the Board will reduce its infrastructure by approximately the same amount over the next two budget years and create a modest reserve for emergencies.

Senior Administration has set in motion a process to examine every facet of the system's operation and make those reductions over the next two years. A hiring freeze has been implemented. Similarly, as positions become vacant a review is conducted to ensure that the position should be filled. The outcome of the exercise over the next two year period will be that we question everything we do and that we end up stopping some activities while continuing others. The goal is that by the end of 2008-2009 we will achieve a balanced budget each year – with no dependence on reserves.

To assist senior staff in their work, it is requested through this budget that the Chair of the Board appoint three Trustees, based on geographic representation, to sit on an advisory committee to the Director. The Budget Advisory Committee will act as a sounding board as Senior Administration carry out their review. In appointing members, it is requested that reference be made to section 6.2.4 of the Operational Bylaw. Under this provision of the bylaw, "no Trustee shall be a member of a committee where the Trustee has or is likely to have a conflict of interest." Only Trustees who have no direct or indirect conflict of interest with the school year budget should be appointed to the Budget Advisory Committee. In so doing this will permit the advisory committee to carry out its work unencumbered by direct or indirect conflicts of interest. Once appointed, the committee will begin meetings after September 2006.

In conclusion, the *Education Act* and Regulations require that the Board of Trustees adopt an annual balanced budget. Thus, the Director of Education, the Superintendent of Business and Financial Services and all members of Senior Administration do hereby recommend that the Board of Trustees approve the following motions. These motions are constructed to deal with existing Trustee conflicts of interest and are intended to provide maximum participation by all Trustees.

Moved by:

Seconded by:

Motion A: THAT under Section 231 of the Education Act and Regulations, Board Policy IV 006 "Financial Condition", Board Policy IV 005 "Budgeting/ Forecasting" and the Waterloo Catholic District School Board's General Board Operational and Procedural By-law, the Board of Trustees approve the "Employee Assistance Program" portion of the 2006-2007 School Year Budget in the amount of **\$125,000**, as contracted with Catholic Family Counselling.

Moved by:

Seconded by:

Motion B: THAT, under Section 231 of the Education Act and Regulations, Board Policy IV 006 "Financial Condition", Board Policy IV 005 "Budgeting/ Forecasting" and the Waterloo Catholic District School Board's General Board Operational and Procedural By-law, the Board of Trustees approve the Human Resource portion of the 2006-2007 School Year Budget in the amount of **\$155,523,889**.

Moved by:

Seconded by:

Motion C: THAT, under Section 231 of the Education Act and Regulations, Board Policy IV 006 "Financial Condition", Board Policy IV 005 "Budgeting/ Forecasting" and the Waterloo Catholic District School Board's General Board Operational and Procedural By-law, the Board of Trustees approve the remainder of the 2006-2007 School Year Budget in the amount of **\$43,982,081** -- and instruct the Director of Education to file a total budget of **\$199,505,970** with the Ontario Ministry of Education in compliance with the Education Act and the Ministry of Education's budget submission process.

Moved by:

Seconded by:

Motion D: THAT, the Chair of the Board appoint three Trustees who represent the geographic areas of the Region and who have no direct or indirect pecuniary conflict of interest with the school year budget to sit on a Budget Advisory Committee to provide advice to the Director of Education on strategies to achieve a balanced budget without dependence upon use of reserve funds for the 2007/08 and 2008/09 budget years.

Reviewed and endorsed by all members of Planning and Priorities Committee:

- **Dave Bennett**, Senior Manager of Operations
- **Heather Cullen**, Superintendent of Instruction and Assessment
- **Gytis Grabauskas**, Senior Manager of Human Resource Services
- **Wayne Hobbs**, Senior Manager of Student Services
- **Bernie Kowalczyk**, Superintendent of Student Services
- **Roger Lawler**, Director of Education
- **Shesh Maharaj**, Senior Manager of Finance
- **Bryan Mahn**, Superintendent of Human Resource Services
- **Helen Mitchell**, Superintendent of Business and Financial Services
- **Sandra Quehl**, Chief Information Officer
- **Bruce Rodrigues**, Superintendent of Leadership and Faith Development
- **John Shewchuk**, Senior Manager of Public Affairs & Executive Assistant to the Director

